GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2178
ANSWERED ON:14.03.2008
ENTRY IN SHARE MARKET BY PSBS
Gangwar Shri Santosh Kumar

Will the Minister of FINANCE be pleased to state:

(a) whether in view of the volatility in share market the Government has directed the public sector banks not to enter the share market; and

(b) if so, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF Finance (Shri Pawan Kumar Bansal)

(a) & (b): The banks purchase / sell shares as per their commercial judgement in accordance with their Board approved investment policies and Reserve Bank of India / Securities & Exchange Board of India guidelines.